



Committed to the future of rural communities.

USDA Rural Development

Annual Report 2008

MAINE



Committed to the future of rural communities.

A Message from Agriculture Secretary Ed Schafer

It has been almost a year since President George W. Bush asked me to serve as the 29th Secretary of Agriculture, and I have had many great days working with the dedicated men and women at USDA to move our agriculture, conservation, and rural development policies forward. Together, we have accomplished a great deal in a short amount of time.

For more than 70 years, USDA Rural Development's mission has been to deliver a future that brings expanded economic opportunities and an improved quality of life for rural residents. My family's heritage is deeply rooted in rural agriculture, and I will forever be proud of my rural upbringing. Also, having served 8 years as Governor of an agriculture State, North Dakota, gave me a thorough appreciation for rural economic development. Serving USDA has been more than a job; it has been a personal commitment. For me, the future of rural America is my future as well.

So, it has indeed been my pleasure to work with Under Secretary Thomas Dorr and the 6,000 dedicated professionals at Rural Development to develop a rural America that is a healthy, safe, and prosperous place in which to live and work. I have never met a more driven and passionate advocate for our rural communities than the Under Secretary. As Tom is fond of saying, Rural Development, with its myriad of programs, is the only Federal agency that can build a community from the ground up.

As we enter a new fiscal year, USDA is being called upon to help the Nation develop renewable energy, decrease our reliance on foreign oil, and help create extraordinary opportunities for rural entrepreneurs.

I have been proud to serve our Nation during these exciting and challenging times. I am confident that with the support of USDA Rural Development, rural America's best days are yet to come.

Ed Schafer
Agriculture Secretary



A Message from Agriculture Under Secretary Thomas Dorr

Call it the Rural Renaissance.

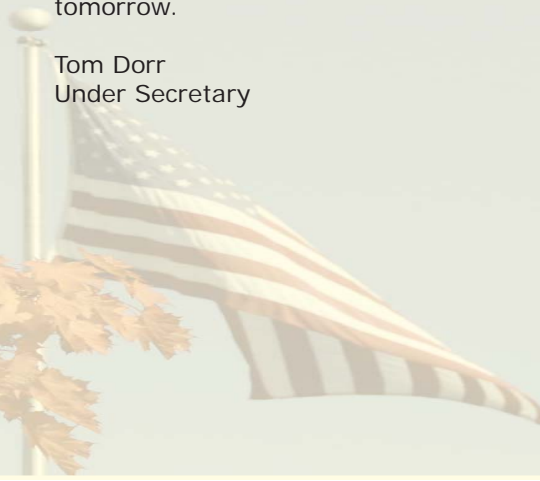
Rural America is changing. An estimated 60 million people live in rural areas and most of them don't farm. Traditional rural industries -- agriculture, forestry, and mining -- are still important, but rural America today is diverse, vibrant, and growing. It is a place where world-class diagnostics can be made available to local health providers via the internet ... where an industry leader like Viking Range can thrive in a Mississippi Delta town of fewer than 20,000 people ... where biofuels, wind, and solar power are driving a revolution in renewable energy ... and in which millions of people, who in an earlier era would have fled to the city, find in rural communities a superior quality of life.

These successes don't happen by accident. The internet revolution and broadband have dramatically expanded the horizons of rural communities and businesses. Renewable energy, which is largely rural energy, is generating new economic growth and jobs. Farm income, farm exports, and farm equity are at record highs. Rural communities across the country are upgrading hospitals, schools, and other essential community services. Across the country, smaller cities are emerging as regional hubs in a restructuring global economy. As economic opportunity and the quality of life in rural communities continue to improve, the future of rural America is bright.

For USDA Rural Development, these changes represent both a challenge and an opportunity. Since 2001, USDA Rural Development has invested over \$111 billion in business development, infrastructure, community facilities and rural housing. To us, the Rural Renaissance is not just a slogan; it is already a tangible reality in many rural communities, and a promise of a better tomorrow in many others.

USDA Rural Development is approaching its 75th anniversary, and the prospects for rural America have never been brighter. Rural America is changing. USDA Rural Development is changing along with it to meet new challenges and opportunities. But one thing has not changed: the partnership between USDA Rural Development and millions of rural Americans. It is truly a privilege to serve rural America, and because of that partnership, we can meet the challenges of today with confidence in a better tomorrow.

Tom Dorr
Under Secretary



A Message from State Director Michael W. Aube

It has been a remarkable year at USDA Rural Development in Maine. The staff has worked hard to ensure a bright future for Maine communities across the state, resulting in a significant **\$236 million** invested in businesses, infrastructure, community facilities, and housing. This considerable investment helps maintain the quality of life we enjoy as Americans.

Through the housing programs, a total of **\$168.7 million** was invested, making it possible for 1,071 families to achieve the American dream of homeownership. In addition, 225 families were helped to make essential repairs and energy-efficient upgrades to their home, keeping them warm through the cold Maine winters. Through quality multi-family housing, 2,972 families/individuals have a place to call home.

USDA Rural Development has invested **\$8.6 million** through the business programs, resulting in the saving or creation of 1,837 Maine jobs and assisting 423 businesses, as well as helping to foster economic growth and innovation. Through the community programs, **\$54.5 million** was provided to assist 60 community facilities, such as hospitals, schools, first responders, water and wastewater infrastructure, and other essential facilities.

One such organization is the Brewer Public Safety Building. This new, state-of-the-art facility was funded through a Community Facility Direct Loan in the amount of **\$6.5 million**, and is the proud home of two historic relics (pictured below) that formed part of the World Trade Center. Each day, as firemen and emergency personnel are dispatched to calls in the area, they are reminded of the sacrifice of their first responder brothers and sisters who serve throughout the Nation.

Rural Development is woven into the fabric of rural America and proud of the assistance it provides to supporting rural communities. My Rural Development co-workers are dedicated to continuing that commitment for decades to come to ensure Maine more successful years like this one.

Michael W. Aube
State Director

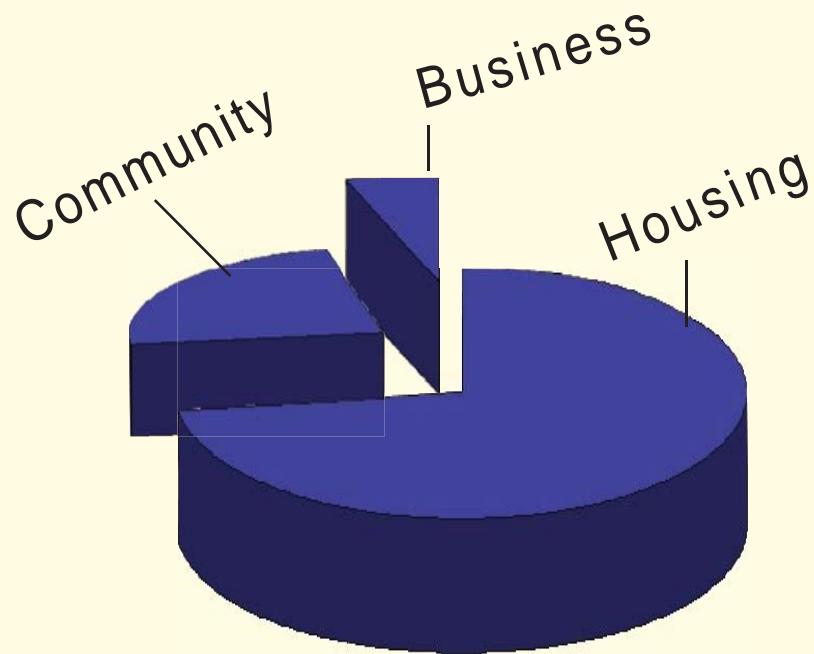


See story on page 9



Investing in rural America

One community at a time.



Anson Madison Starks Ambulance Service Director David Beckworth (left) shakes hands with Rural Development State Director Michael W. Aube. (See pg. 11)

Total investment in Maine Communities:

\$236,681,404

Fiscal Year 2008



Housing: **\$168,707,432**



Business: **\$8,622,731**



Community: **\$54,587,241**

C ommitted to the future of rural communities.

Rural Development has impacted the lives of Maine people through its programs as follows:



Committed to the future of rural communities.

Housing Programs:

- 1071 Maine families were assisted in obtaining the American dream of homeownership
- 225 Maine families were assisted in making essential home repairs and energy-efficient upgrades
- 2,972 Maine families/individuals enjoyed quality rental housing

Business Programs:

- 1,837 jobs were created or saved in Maine
- 423 Maine businesses were assisted
- Value-Added Producer Grants were awarded to 5 Maine agricultural producers, supporting wind energy and Maine's lobster industry

Community Programs:

- 60 essential community facilities such as schools, first responders, water and wastewater facilities and libraries were assisted
- 15,023 people were assisted in access to quality water systems through funding of essential water and wastewater infrastructure
- 1441 construction jobs were created, in addition to jobs in the engineering, legal, and administrative employment sectors, helping support the Maine economy



USDA Rural Development is investing in Maine's energy future.

As the nation strives to lessen its dependency on foreign fuel, Rural Development is helping to lead the way through a variety of energy-efficiency and renewable energy programs which include loans, grants, and loan guarantees.

Business and Agricultural Producers

- Agricultural producers and small businesses may purchase and install renewable energy systems and make energy-efficient improvements. Examples of renewable energy project are biomass, anaerobic digesters, geothermal, hydrogen, wind, hydroelectric, and solar
- Planning activities and working capital for marketing value-added agricultural products and farm-based renewable energy
- Eligible entities to carry out research on and development and demonstration of biofuels and bio-based products and the methods, practices, and technologies for their production

Housing Programs

- Utilizing the Repair and Rehabilitation Loan Program, homeowners can make repairs to increase energy efficiency, including updating or purchasing a new central heating system, replacing or adding insulation, replacing drafty or broken doors and windows, and other essential repairs
- Increasing energy-efficiency at multi-family apartments by making essential repairs to the apartment building(s) or installing energy-efficient heating system(s)
- Utilizing the Single Family Direct Housing Program to purchase or construct a home and include energy efficient upgrades to the home (example: a new furnace)
- Purchasing an energy efficient home. Through the Home Energy Advantage Program additional incentives may be provided

Communities and Community Facilities

- Hospitals, schools, and municipalities to convert to biomass
- Enabling rural communities to substantially increase their energy self-sufficiency
- Establishing revolving loan funds (local utility organizations)
- Electric utilities for energy conservation programs and on-grid and off-grid renewable energy systems
- Municipalities and quasi-municipalities for energy-efficient system upgrades of water and waste facilities



For More Information Call
1-800-352-8963 ext. 161
rdhelps@me.usda.gov

Committed to quality Housing.



Thanks to a low-interest loan from USDA Rural Development, the O'Clair family won't struggle with the cold this winter.

"I don't know what we would have done without Rural Development. It is so nice not to have to worry about heating our home."

-Tammy O'Clair

Within less than a month of calling Rural Development, the O'Clairs had a new, properly working furnace.

The family's 40-year old furnace was in need of replacement. It was inadequate for heating their home and left black marks on the walls.

The Old Town family was assisted through a Rehabilitation and Repair Loan through USDA Rural Development. They used the loan to replace the old furnace, which removed health and safety hazards and increased the heating efficiency of their home.

"I don't know what we would have done without Rural Development," said Tammy O'Clair. It is so nice not to have to worry about heating our home."

Gerald O'Clair adds that others in need would be "foolish not to apply."

Disabled Veteran George Seely is grateful for his new freedom.

George Seely and his wife, Betty, live in a 45-year-old home that they say they have "out-aged." George needed a new wheelchair ramp, as his old one (built by the family) was too steep and the turns were short. The home also needed several replacement windows and doors to reduce mold issues and save on fuel costs.

George found assistance through the Rural Development Repair and Rehabilitation (or Section 504) Program. As a Veteran of the Korean War, the new ramp gives George the freedom he has so richly earned. George and Betty both agree that the home is much warmer thanks to its new windows.



USDA Rural Development helped Veteran George Seely remain independent.

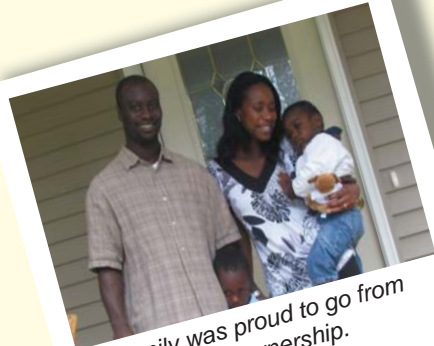
Making Homeownership dreams come true.

Banahene/Allen Family's Story

The family credits homebuyer education courses for opening their eyes to the possibility of homeownership. The family had always rented.

The accomplishment did not come without sacrifices as the family learned that items like cable television and cell phones would have to go. Although they had to give up some things, the family agrees owning their own home is worth it. They now have a place they can truly call theirs.

*The Banahene/Allen Family was assisted through the **Rural Development Section 502 Guaranteed Loan Program** with Kennebunk Savings Bank. Other partners include York County Community Action Corporation and the Federal Home Loan Bank of Boston.*



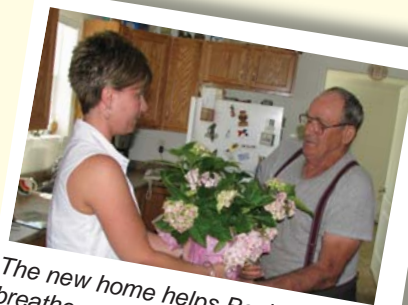
This family was proud to go from renting to homeownership.

Little Family's Story

Basil and Rena Little had been living in a mobile home that had many issues including mold and mildew, a leaky roof, and sagging floors. The mold and mildew aggravated Basil's health condition.

Rural Development, together with the Congressional Delegation and Aroostook County Action Program, were able to help the Littles replace their mobile home with a two-bedroom, two bathroom, ranch-style home.

*The Little Family was assisted through the **Rural Development Section 502 Direct Loan**.*



The new home helps Basil Little breathe easier.



Lila loves her bright and sunny new home and is grateful to the partners who helped.

Lila Curtis' Story

It was a very special day for 73 year-old Lila Curtis the day partners gathered at her home in Levant to celebrate her brand new home. The new home replaces her old one that was falling apart. Its leaky roof and lack of insulation made for cold days during the winter, and the cost of oil to heat her home was nearly \$400 per month.

Her new two-bedroom ranch home is very energy-efficient, and Lila estimates she now spends less per month on heat, electricity, and the mortgage payment combined than she used to spend on her old home just to keep it warm.

*Lila was assisted through a **Rural Development Section 502 Direct Loan**. Other partners who helped make this happen: Penquis, MaineHousing, HUD, and the Congressional Delegation and Rick Townsend of 111 Generation Carpentry.*

Sanborn Family's Story

The Sanborn Family knew their home was "the one" the moment they saw it. Located out in the country, in Otisfield, and with two acres of land for the kids to play, it was a dream come true. The family of five now has plenty of room to grow, and the kids love the big yard.

*The Sanborn Family was assisted through the **Rural Development Section 502 Direct Program**.*



Family of five and partners celebrate quality homeownership.

Providing quality rental housing.



Lindenbrooke Park is a 16-unit apartment building that serves both the elderly and the disabled.

“USDA Rural Development is pleased to help enhance the quality of life for residents at Lindenbrooke Park and is committed to providing affordable and quality housing for the people of Maine.”

-USDA Rural Development
State Director Michael W. Aube

Lindenbrooke Park, located in Manchester, is a very special place to call home. Just ask Sue Norris, Vice President of the Board of Directors and resident.

“I am very proud of Lindenbrooke Park and very happy to be a resident and a part of the community,” said Norris at an Open House held on July 17, 2008.

Living at Lindenbrooke has been made even better by recent improvements made possible through a USDA Rural Development Rural Rental Housing Loan in the amount of \$250,000 and debt deferral of \$450,396.

Upgrades to the apartment building, which was constructed in 1983, included new roofs and windows, drainage improvements, and important handicap accessibility upgrades to the common area and to an apartment unit.



USDA Rural Development and partners celebrate upgrades to Lindenbrooke Park.

Committed to quality Community Facilities and..

The Brewer Public Safety Building opened its doors to the public almost exactly 50 years after it began at its former location on South Main Street.

The new 30,000 square foot building is state-of-the-art and better equipped to meet the community's needs. It is nearly three times the size of the old facility and in a more central location to better respond to calls for assistance.

With 41 people employed in the fire and police departments, the extra space is a necessity. Fifty years ago, the number of calls for assistance was about 350 per year. Today it is nine times that amount- or approximately 3,100 calls per year. USDA Rural Development provided a Community Facility Direct Loan in the amount of \$6.5 million to fund the construction of the facility.

In addition to being an asset to the community, the building houses a very important piece of American history: two pieces of twisted metal from the World Trade Center. The pieces were provided by Nickerson & O' Day, the building's contractor.

"Even though this won't be the thing that holds up the roof, it will hopefully hold up people's spirits," said Karl Ward, President and CEO of Nickerson & O'Day, referring to the relics.

"Brewer has changed dramatically over the past decade. While the residential sector has undergone a modest expansion, commercial and industrial growth has been dramatic. The new building is designed and strategically located to meet those demands."

-Stephen M. Bost
Brewer City Manager



A piece of the World Trade Center hangs proudly over rescue equipment in the Brewer Public Safety Building.



Rural Utilities.

It was a very special Earth Day as officials and community members gathered in a gazebo on the banks of the Union River to celebrate the importance of keeping the environment clean.

USDA Rural Development presented the City of Ellsworth with \$10.7 million for the construction of a new wastewater treatment plant and other essential upgrades to the City's sewer infrastructure.

The investment provided by USDA Rural Development consists of \$9.5 million in new "Earth Day" funds and \$1.2 million in previous funding. The USDA funding is a part of the total \$14 million estimated cost for the project, which includes an investment by the Maine Department of Environmental Protection in the amount of \$2 million, a Community Development Block Grant in the amount of \$500,000, and a Congressional Earmark of approximately \$300,000. The new plant is expected to be completed in 2010 or 2011.



Rural Development funds were in the form of Rural Development Water and Waste Disposal Loan and Grants.

Since Fiscal Year 2000, USDA Rural Development in Maine has invested \$122.3 million in improving water quality in communities throughout the state of Maine.

"These funds enable the City of Ellsworth to solve an environmental and economic development issue that has affected the entire region. The Union River is a viable resource that should be respected and preserved for future recreation, wildlife habitat, and shellfish harvesting."

- Ellsworth City Manager Michelle Beal



The future stewards of the Union River.



The investment will help keep the river clean.



Rural Development Mascot Rural Rover gives a high-five!

Investing in quality healthcare and first responders.

Health Access Network (HAN) will soon relocate to a new facility that is larger and more centrally located.

Senator Susan M. Collins visited the facility on March 26 to learn about the facility's Electronic Medical Records system and discuss plans for the organization's new building.

"Rural Development has been so critical to financing the ability to offer health care to so many people in Maine. It has such an important role to play in the health care community and to people insured or uninsured."

- Susan M. Collins,
United States Senator

The new facility, to be constructed at 175 West Broadway, in Lincoln, will provide access to care in a convenient and centralized location, additional parking and waiting room space, an additional 10 exam rooms, as well as operational efficiencies.

Senator Collins also participated in a funding presentation, which celebrated \$5.1 million invested in HAN by USDA Rural Development. This funding made the purchase of the EMR system possible, and has also provided loan funding (along with a Guaranteed Loan with Bangor Savings Bank) for the new building, which will consolidate six sites that it operates in Lincoln.



Anson Madison Starks Ambulance Service received a Community Facility Grant in the amount of \$35,000 to fund a new ambulance.



Harmony Volunteer Fire Department received a Community Facility Grant in the amount of \$35,750 to construct a building to house a forest fire suppression truck.

Committed to quality Business and Energy Programs.

At a time when Maine's lobster industry is working hard to stay afloat, Portland-based business Catch a Piece of Maine has found a new and innovative business model to sell lobster.

At 7- and 8-years-old, brothers John and Brendan Ready were already learning the art of trapping lobster. They grew up on Cape Elizabeth and are proud of the upbringing that taught them the ropes of the industry. Now their company is growing despite a decline in the industry as a whole.

Lobstermen fish their traps off the coast of Cape Elizabeth. They have over 300 traps and thousands of customers who have "bought shares" (one time lobster feasts.)

Customers can also choose to "own a trap" for a year. This trap is fished by their own private Catch a Piece of Maine lobsterman. Trap owners can go to their online account anytime and see when their trap was hauled and what was caught. They can have their lobsters shipped to them, or enjoy receiving them fresh off the boat at the dock.

USDA Rural Development provided Catch a Piece of Maine with a Value-Added Grant in the amount of \$150,000 to help market its value-added business.



John Ready, Owner, Catch a Piece of Maine

"Through adding value to the product and finding new ways to sell lobster, lobsterman can find new ways to work together to create a sustainable future for Maine's lobster industry."

-John Ready, Owner
Catch a Piece of Maine



Investing in opportunities for rural businesses.



Maine Alternative Agriculture Association Board Members receive a big check for \$199,000 to make their vision to help local farmers a reality.

“People want to eat good food. They want organic vegetables fresh from the garden.”

-Local farmer about why Maine Alternative Agriculture Association will succeed.

Maine Alternative Agriculture Association, in Starks, is a non-profit organization with the mission of helping local farmers transition from commodities to high-value niche crops and livestock products.

USDA Rural Development provided Maine Alternative Agriculture Association with a Rural Business Enterprise Grant to rehabilitate the town's 130 year-old former Starks Grange Hall to provide a commercial kitchen for local farmers to add value to organic produce.

When asked why this project would be successful in the area, one local farmer stated, “People want to eat good food. They want organic vegetables fresh from the garden.”



Northern Maine Development Commission (NMDC) is a nonprofit organization that provides regional planning, economic and community development, and other assistance. In addition, NMDC is the lead agency for the Aroostook County Empowerment Zone.

USDA Rural Development presented NMDC with an investment in the amount of \$366,599 to assist it in providing support to the Aroostook Partnership for Progress and benefit economic and community development in the Aroostook County Empowerment Zone.

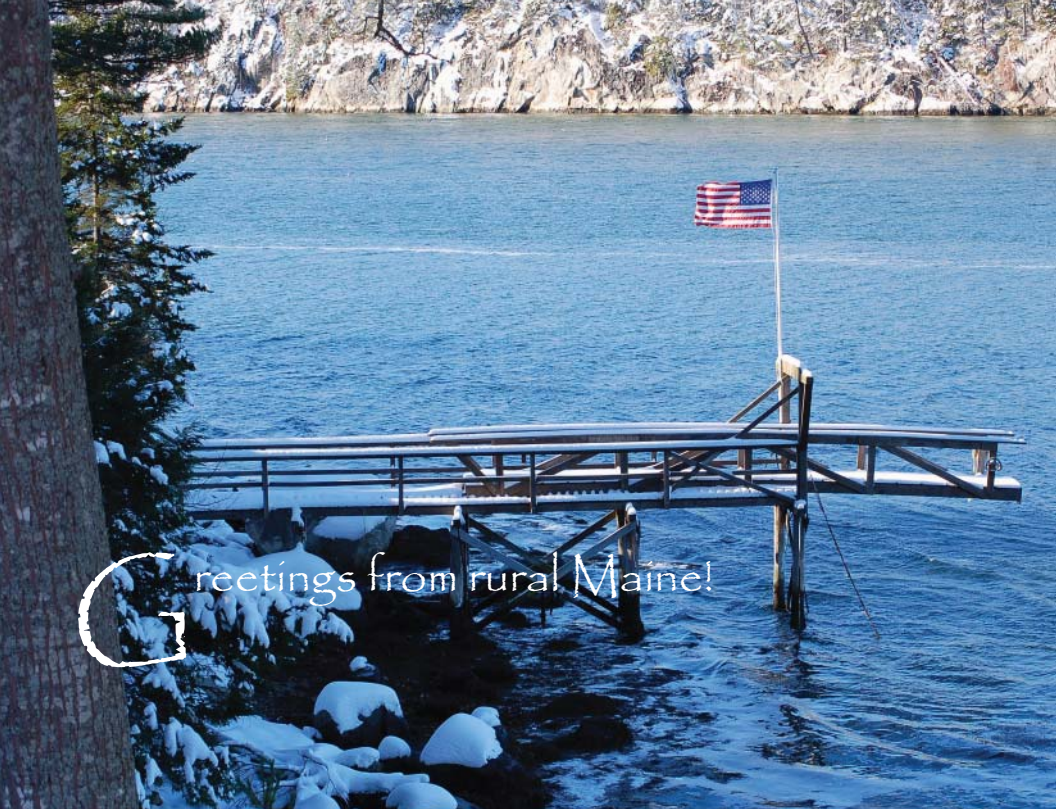
In Fiscal Year 2008, USDA Rural Development invested a total of \$3.6 million in NMDC to support economic and community development in the region.



Rural Development State Director Michael W. Aube presents a big check and is shown with NMDC Staff, congressional representatives, and other partners.



Greetings from rural Maine!



Greetings from rural Maine!



Greetings from rural Maine!



Greetings from rural Maine!

From: _____

Place
Stamp
Here

Did you know USDA Rural Development invested over \$236 million in rural Maine communities this year? Investments were made in essential community facilities, rural businesses, and quality housing for the people of Maine.



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-Photo by Duke Simoneau



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-Photo by Duke Simoneau



Contact a Rural Development Office near you:

To learn about our programs 1-800-352-8963 ext. 161
rdhelps@me.usda.gov



Rural Development State Office
967 Illinois Avenue, Suite 4
PO Box 405
Bangor, ME 04402-0405
Tel.: (207) 990-9160
Fax: (207) 990-9165

Presque Isle Area Office
735 Main Street, Suite 1
Presque Isle, ME 04769
Tel.: (207) 764-4157
Fax: (207) 762-2246



Bangor Area Office
1423 Broadway, Suite 3
Bangor, ME 04401-2468
Tel.: (207) 990-3676
Fax: (207) 990-5092

Lewiston Area Office
254 Goddard Road
PO Box 1938
Lewiston, ME 04241
Tel.: (207) 753-9400
Fax: (207) 784-1335



Scarborough Area Office
306 US Route 1, Suite B1
Scarborough, ME 04074
Tel.: (207) 883-0159
Fax: (207) 883-2740

USDA Rural Development

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Committed to the future of rural communities.



"USDA is an equal opportunity provider, employer and lender."

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